



STATE OF CONNECTICUT  
DEPARTMENT OF ENVIRONMENTAL PROTECTION



Public Hearing – March 4, 2009  
Environment Committee

Testimony Submitted by Commissioner Gina McCarthy  
Department of Environmental Protection

**Raised Senate Bill No. 794, AN ACT CONCERNING THE REGIONAL GREENHOUSE  
GAS INITIATIVE AND ELECTRIC RATEPAYER RELIEF**

---

Thank you for the opportunity to present testimony on Raised Senate Bill 794 - AN ACT CONCERNING THE REGIONAL GREENHOUSE GAS INITIATIVE AND ELECTRIC RATEPAYER RELIEF. The Department of Environmental Protection (DEP) supports this bill and any efforts which further clarifies that the General Assembly intended for DEP to implement the Regional Greenhouse Gas Initiative (RGGI) in a responsible manner designed to minimize negative ratepayer impacts.

Both the Legislative Regulation Review Committee (LRRC) and the Attorney General recognized this legislative intent when the Department's final proposed RGGI regulations were before the LRRC last summer. Both the LRRC and the Attorney General approved as legally sufficient and in conformance with the legislative intent of Public Act 07-242 and Public Act 08-98 a provision in the Department's RGGI regulations that would return to ratepayers – in the form of direct ratepayer relief – the differential value received by the state in the event that carbon dioxide allowances sold at auction for an amount over \$5.00 per allowance. Over the first two auctions, allowance prices have remained in the \$3.00 range. Thus, the DEP has not had to utilize the direct ratepayer relief provisions in the RGGI regulations.

DEP strongly supports ratepayer protection provisions in the RGGI program, especially given our current economic conditions. DEP also believes that utilizing the auction proceeds to support renewable energy and energy efficiency programs are very important and positive means to reduce ratepayer costs while simultaneously supporting economic development, green technology and green collar jobs.

Thank you for the opportunity to present testimony on this proposal. If you should require any additional information, please contact Robert La France, DEP Legislative Liaison at 424-3401.